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Written Testimony of Christopher Phelps, Environment Connecticut Program Director
Before the Connecticut General Assembly Energy & Technology Committee
Thursday, March 18, 2010

Regarding SB 463, AN ACT CONCERNING FINANCING OF ENERGY
EFFICIENCY AND RENEWABLE ENERGY

Senator Fonfara, Representative Nardello, and members of the Committee:

Thank you for the opportunity to offer this testimony regarding SB 463. Environment Connecticut is a statewide, member-supported non-profit environmental advocacy organization. One of our top priorities is advocacy for clean energy policies that benefit our environment and encourage the creation and retention of jobs in Connecticut's clean energy economy.

SB 463 pursues a goal of creating financing programs to support investment in renewable energy and energy efficiency improvements by homeowners, businesses and municipalities in Connecticut. The primary mechanism the bill establishes to establish such financing programs is a utility-managed loan program utilizing "on-bill financing." Environment Connecticut would support the establishment of a well-designed program of this type.

We encourage the committee to carefully craft any such loan program so that it is coordinated with, and additive to Connecticut's existing renewable energy and energy efficiency programs. To that end, we encourage the committee to focus such a program on "filling gaps" in existing incentive and financing program coverage. Additionally, we suggest considering implementation of multiple financing mechanisms and not focusing exclusively on any single approach. For instance, "Property Assessed Clean Energy" loan programs, which the committee is considering in other bills before it this session, offers another innovative mechanism for providing significant clean energy financing assistance to homeowners and small businesses.

In short, we strongly support the pursuit of innovative ideas expanding availability of effective and affordable financing opportunities to incentivize installation of renewable and efficiency technologies in Connecticut.

We also wish to respectfully urge the committee not to roll-back Connecticut's Renewable Portfolio Standards (RPS) as Section 2 of SB 463 proposes. Such a step would seriously undermine the goal of this bill to incentivize expanded installation of renewable energy generation. To roll back Connecticut's near and long-term renewable energy requirement by nearly 50% as envisioned in this section would mark our state as

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the only state in the nation moving away from a commitment to expanded renewable energy generation. This would severely undermine our efforts to reduce emissions of global warming pollutants and would hamstring efforts to create new jobs in clean energy industries.

In contrast to SB 463, other states are moving aggressively to expand renewable electricity requirements. In Delaware for example, that state's governor recently proposed increasing their RES to a 30% by 2030 target while also expanding a preference for utility procurement of in-state renewable resources.

To the extent that the goals of SB 463 include a preference for in-state renewable generation here in Connecticut, we strongly urge the committee to pursue a course of action similar to that in Delaware and many other states nationwide. A combination of Connecticut's existing 20% by 2020 RPS, preferences for in-state renewable generation, and programs supporting renewable technologies such as solar that are inherently local, would provide the best opportunity to encourage growth of Connecticut-based renewable generation. Such measures would be entirely compatible with, and complimentary to, innovative renewable and energy efficiency financing programs.

Thank you for the opportunity to offer this testimony concerning SB 463.

Sincerely,

Christopher Phelps
Program Director
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